



Patrick W. Henning, Director

April 9, 2008  
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Arnold Schwarzenegger  
Governor

Ms. Cheryl Moore, Executive Director  
Workforce Investment Board of Ventura County  
855 Partridge Drive  
Ventura, CA 93003

Dear Ms. Moore:

WORKFORCE INVESTMENT ACT  
85-PERCENT PROGRAM REVIEW  
FINAL MONITORING REPORT  
PROGRAM YEAR 2007-08

This is to inform you of the results of our review for Program Year (PY) 2007-08 of the Workforce Investment Board of Ventura County's (WIBVC) Workforce Investment Act (WIA) 85-Percent grant program operations. We focused this review on the following areas: Board composition, One-Stop delivery system, program administration, WIA activities, participant eligibility, local program monitoring of subrecipients, grievance and complaint system, and management information system/reporting.

This review was conducted by Mr. Gerald Lee from December 17, 2007 through December 21, 2007.

Our review was conducted under the authority of Sections 667.400 (a) and (c) and 667.410 of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by WIBVC with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding program operations for PY 2007-08.

We collected the information for this report through interviews with WIBVC representatives, and service provider staff. In addition, this report includes the results of our review of selected case files, WIBVC's response to Section I and II of the Program On-Site Monitoring Guide, and a review of applicable policies and procedures for PY 2007-08.

We received your response to our draft report on March 21, 2008, and reviewed your comments and documentation before finalizing this report. Because your response

adequately addressed finding 3 cited in the draft report, no further action is required and we consider the issues resolved.

Because WIBVC adequately addressed finding 1 cited in the draft report, no further action is required at this time. However, this issue will remain open until we verify your implementation of your stated corrective action plan (CAP) during a future onsite review. Until then, this finding is assigned Corrective Action Tracking System (CATS) numbers 80081.

Conversely, WIBVC did not adequately address finding 2 cited in the draft report and we consider the finding unresolved. We request that WIBVC provide the Compliance Review Division (CRD) with a CAP to resolve the issue that led to the finding. Therefore, this finding remains open and has been assigned CATS number 80082.

### **BACKGROUND**

The WIBVC was awarded WIA funds to administer a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery system. For PY 2007-08, very little WIA funding has been expended. However, for PY 2006-07, WIBVC was allocated: \$1,613,786 to serve 178 adult participants; \$1,641,694 to serve 325 youth participants; and \$1,783,294 to serve 141 dislocated worker participants.

For the quarter ending September 30, 2007, WIBVC reported the following expenditures for its WIA programs for PY 2006-07: \$1,613,786 for adult participants; \$1,141,352 for youth participants; and \$1,732,213 for dislocated worker participants. In addition, WIBVC reported the following enrollments: 126 adult participants; 323 youth participants; and 133 dislocated worker participants. We reviewed case files for 30 of the 582 participants enrolled in the WIA program as of December 17, 2007.

### **PROGRAM REVIEW RESULTS**

While we concluded that, overall, WIBVC is meeting applicable WIA requirements concerning grant program administration, we noted instances of noncompliance in the following areas: Workforce Investment Board (WIB) composition, grievance complaint, and Unemployment Insurance (UI) eligibility. The findings that we identified in these areas, our recommendations, and WIBVC proposed resolution of the findings are specified below.

**FINDING 1**

**Requirement:** 20 CFR 661.315(a) states, in part, that a majority of the Local Board must be representatives of business in the local area.

**Observation:** We observed that WIBVC lacks a business majority. Specifically, only eleven of the 32 Board members are representatives of the local business sector.

**Recommendation:** We recommended that WIBVC provide the CRD with a CAP and timeline for filling existing business vacancies on the Local Board. We also recommended that WIBVC provide CRD with a copy of its board roster once the vacancies are filled.

**WIBVC Response:** The WIBVC states that as of March 6, 2008, it needs an additional nine business representatives to reach a business majority. The WIBVC plans for recruiting additional business representatives by continuing:

- Monthly meetings of the membership committee to generate recruiting leads, screen candidates, and make recommendations for nomination;
- To enlist recruitment from WIB members, Board of Supervisors, WIA account executives, One-Stop job & career center managers, chamber of commerce, and other business and community organizations;
- To feed the nomination process pipeline;
- To steward the four business candidates in the nomination process, and three additional potential candidates are considering membership;
- To recruit candidates with an interest in workforce development, who also have the time to participate in meetings;
- Community outreach and public communications to raise the awareness of WIB-funded workforce and business development programs and services;

The WIBVC will send a copy of the board roster to CRD as soon as the vacancies are filled. If the vacancies are not filled within six months, WIBVC will send an updated board roster with an explanation to CRD.

**State Conclusion:** The WIBVC's stated corrective action on actively recruiting additional business representatives should be sufficient to resolve this issue. However, we cannot close this issue until WIBVC provides CRD with a WIB roster that substantiates that there is a business majority on its WIB. Until then, this issue remains open and has been assigned CATS number 80081.

## **FINDING 2**

**Requirement:** 20 CFR 667.600 states, in part, that the local area must provide information about its programmatic grievance and complaint procedures to participants and other interested parties.

29 CFR 37.29(a)(2) states, in part, that a recipient must provide initial and continuing notice that it does not discriminate on any prohibited ground. This notice must be provided to participants.

WIA Directive (WIAD03-12) requires, in part, that the local grievance and complaint procedures and instructions on how to file a complaint must be included in each participant's file.

**Observation:** We observed that all case files we reviewed contained the participant's signed acknowledgement of rights to file a grievance and complaint. However, WIBVC's grievance and complaint procedures do not indicate:

- A withdrawal policy;
- That all grievance or complaints, amendments, and withdrawals must be in writing;
- An address to submit an appeal to the State.

**Recommendation:** We recommended that WIBVC revise its grievance and complaint procedure to include the elements noted above and, provide a CAP stating how WIBVC will ensure that the updated procedures will be included in future participant case files.

**WIBVC Response:** The WIBVC provided CRD with an updated grievance and complaint procedure that included the language listed above.

**State Conclusion:** The WIBVC's stated corrective action is sufficient to close the first portion of the recommendation regarding revision of its grievance complaint procedures. However, WIBVC did not provide a CAP explaining how it will ensure that the updated procedures will be included in future participant case files. Until WIBVC provides the above CAP, this issue has been assigned CATS number 80082.

### **FINDING 3**

**Requirement:** WIA 101(9)(ii)(I) indicates that the term "dislocated worker" means an individual who is eligible for or has exhausted entitlement to unemployment insurance (UI) compensation.

WIAD04-18 requires, in part, that an eligible dislocated worker remains eligible for assistance after dislocation as long as the individual has not been employed in a job since dislocation and prior to application that paid a wage defined by the local board as a self-sufficient dislocated worker wage or leading to self-sufficiency or providing more than stopgap employment.

In addition, a dislocated worker participant must provide eligibility documentation to substantiate that the participant:

- Has been terminated or laid off, or who has received a notice of termination or layoff, from employment; and
  - Is eligible for or has exhausted entitlement to unemployment insurance (UI) compensation; or
  - Has been employed for a duration sufficient to demonstrate attachment to the workforce, but is not eligible for unemployment compensation due to insufficient earnings or having performed services for an employer that were not covered under a State unemployment compensation law; and
- Is unlikely to return to a previous industry or occupation.

**Observation:** We found one participant case file did not contain the required UI information to substantiate eligibility for the dislocated worker program. The participant was laid off with Trajen, Inc., but had since been employed by two different employers during the same time for over a year. During this time period, the participant

earned wages that were comparable to those earned in the participant's primary occupation. When the participant was terminated from the last employer, WIBVC determined dislocated worker eligibility for the individual without obtaining the participant's latest UI information from the last employer to substantiate the participant's eligibility as a dislocated worker.

**Recommendation:** We recommended that WIBVC provide documentation of the UI eligibility status of the identified participant.

**WIBVC Response:** The WIBVC provided documentation from the local Employment Development Department Office verifying the participant received UI benefits.

**State Conclusion:** We consider this finding resolved.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. It is WIBVC's responsibility to ensure that its systems, programs, and related activities comply with the WIA grant program, Federal and State regulations, and applicable State directives. Therefore, any deficiencies identified in subsequent reviews, such as an audit, would remain WIBVC's responsibility.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Mr. Jim Tremblay at (916) 654-7825 or Mr. Gerald Lee at (916) 654-8270.

Sincerely,



JESSIE MAR, Chief  
Compliance Monitoring Section  
Compliance Review Division

cc: Shelly Green, MIC 45  
Jose Luis Marquez, MIC 50  
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